(b) the steps being taken by Government to give a boost to the production in the engineering industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMNET IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Capacity utilisation has been low in a few engineering industries due to various factors such as infrastructural and raw material constraints, demand bottlenecks, adverse industrial relations, inadequate technological upgradation, etc.

(b) Optimum utilisation of capacity continues to be the cornerstone of Government's industrial policy and several measures have been taken for better utilisation of capacity. This is being secured, *inter-alia* through suitable changes. in industrial, licensing and import policies as well as through monetary and fiscal measures and improvement in infrastructure.

Price of levy cement

1333. SHRI KALPNATH RAI; Will the Minister of INDUSTRY be pleased to state;

(a) what was the price per tonne of levy cement during the last two years;

(b) whether the price has been raised recently; and

(c) if so, what are the reasons therefor and the amount of rise?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) The F. O. R. (Sale) price of levy cement during the last two years has remained at Rs. 532 per tonne and Rs. 517 per tonne (excluding excise duty and packing charges) in respect of Ordinary Portland Cement/Slag Cement and Portland Pozzolana cement respectively.

(b) and (c) There has been no increase in the F. O. R. (Sale) price of levy Cement recently. However, the retention price (payable to cement manufacturers) of cement has been increased by Rs. 24. 50 per tonne with effect from 15. 12. 86 to compensate the industry for the increase in the cost of production, wilhout increasing the F. O. R. (Sale) price of cement.

Production of cement

1334. SHRI KALPNATH RAI; Will the Minister of INDUSTRY be pleased to state;

(a) the quantity of production of cement during the last two years, yearwise;

(b) what is the target of production of cement during the current financial year and whether it is likely to be achieved; and

(c) the steps being taken to modernize cement units and increase their production?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) The production of cement during 1984-85 and 1985-86 was 30. 19 million tonnes and 33. 13 million tonnes respectively.

(b) The target of production of cement for 1986-87 is 36. 50 million tonnes which is, more or less, likely to be achieved.

(c) Government have been impressing; upon the cement industry from time to time the need to take effective steps to modernise the old cement factories and also to take necessary steps for installation of energy conservation devices and pollution control equipments. A World Bank loan of $ 200 million has also been arranged during 1986 for conversion of seven cement units from wet to dry process and for sub-sector level training/ technical assistance, etc. for the cement industry.